

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1840 – HB 1969

March 4, 2018

SUMMARY OF ORIGINAL BILL: Changes, from 10 days to 10 business days, the amount of time within which a new owner or governing body must apply for a new authorization to operate after a change in ownership of a postsecondary educational system.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (013671): Deletes all language after the enacting clause. Clarifies that students enrolled in a private business, trade, or technical school that is authorized by the Tennessee Higher Education Commission (THEC) and is accredited by the Accrediting Council for Independent Colleges and Schools (ACICS) can remain eligible for Tennessee Student Assistance Corporation (TSAC) awards if the institution receives a new accreditation recognized by the United States Department of Education.

Redefines “nontraditional student” as a student who is at least 25 years of age. Authorizes a student who is a Reconnect Grant recipient to enroll in a baccalaureate degree program at an eligible four-year postsecondary institution on or after August 1, 2018, while maintaining continuous enrollment following completion of an associate degree under the Tennessee Reconnect Grant.

Clarifies the award amount for the Tennessee HOPE scholarship for a non-traditional student enrolled full time in an associate degree program is \$1,500 per semester at a two-year postsecondary institution and \$1,750 per semester at a four-year postsecondary institution beginning in fall 2015 and prior to fall 2018.

Deletes the termination requirement of the reconnect grant if a student has attempted the total number of semester hours necessary for completion of an eligible program yet has not successfully completed the program. Changes the effective date from July 1, 2018, to August 1, 2018, at 12:01 a.m.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on the information provided by the TSAC, adopting policies such as: clarifying accreditation requirements; authorizing students to maintain continuing enrollment; and deleting termination requirements will be performed during its normal course of business. Therefore, to adopting such policies will not have any significant impact on TSAC, grant awards, or its operations.
- Based on the information on TSAC's *2018 financial aid fact book*, the current age requirement is at least 25 years of age and the current award amount for non-traditional students receiving the HOPE scholarship is \$1,500 per semester for entering freshman at enrolled at an eligible two-year institution beginning in fall 2015 through summer 2018. The current award amount for non-traditional students receiving the HOPE scholarship is \$1,750 per semester for freshmen enrolled in a bachelor degree program at an eligible four-year institution beginning in fall 2015. Therefore, adopting such policies to clarify age requirements and award amounts for non-traditional students receiving the HOPE scholarship will be similar to current practice and is estimated to be not significant.
- Any fiscal impact to state or local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp